

HOUSE BILL NO. 297

INTRODUCED BY D. WANZENRIED

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A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A BUDGET STABILIZATION ACCOUNT IN THE STATE SPECIAL REVENUE FUND; PROVIDING FOR THE FUNDING OF THE ACCOUNT; PROVIDING FOR THE ADMINISTRATION AND USE OF THE ACCOUNT; PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Budget stabilization account. (1) There is a budget stabilization account in the state special revenue fund. Subject to subsection (2), at the end of each biennium, the amount of the general fund unreserved and unencumbered fund balance that is in excess of the ending general fund balance adopted by the legislature must be deposited in the budget stabilization account. The legislature may provide for the deposit of other funds in the budget stabilization account.

(2) The balance in the budget stabilization account may not exceed 10% of the total general fund appropriations for the prior biennium.

NEW SECTION. Section 2. Management of budget stabilization account. (1) The budget stabilization account must be managed by the department of administration. An audit of the account must be included in the biennial audit of the department.

(2) The account must be invested pursuant to Title 17, chapter 6, part 2. Interest and earnings on the account must be deposited in the state general fund.

NEW SECTION. Section 3. Use of budget stabilization account -- statutory appropriation. (1) The legislature may appropriate the funds in the budget stabilization account for any public purpose.

(2) Up to 25% of the account is statutorily appropriated, as provided in 17-7-502, to the office of the governor to be used to:

- (a) pay fire suppression costs in excess of the appropriation contained in Title 10, chapter 3, part 3;
- (b) offset reductions in spending provided for in 17-7-140; or

1 (c) restore state facilities damaged by a disaster declared pursuant to 10-3-303.

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3 **Section 4.** Section 17-7-502, MCA, is amended to read:

4 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory
5 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without
6 the need for a biennial legislative appropriation or budget amendment.

7 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both
8 of the following provisions:

9 (a) The law containing the statutory authority must be listed in subsection (3).

10 (b) The law or portion of the law making a statutory appropriation must specifically state that a statutory
11 appropriation is made as provided in this section.

12 (3) The following laws are the only laws containing statutory appropriations: 2-15-151; 2-17-105;
13 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-113; 15-1-121; 15-23-706;
14 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; section 3; 17-3-106; 17-3-212; 17-3-222;
15 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305;
16 19-19-506; 19-20-604; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-5-306; 23-5-409; 23-5-612;
17 23-5-631; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623;
18 53-6-703; 53-24-206; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 80-2-222; 80-4-416; 80-5-510; 80-11-518;
19 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

20 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,
21 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued
22 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana
23 to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state
24 treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory
25 appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of
26 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360,
27 L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's
28 unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates
29 July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710
30 terminates June 30, 2005; pursuant to sec. 17, Ch. 414, L. 2001, the inclusion of 2-15-151 terminates December

1 31, 2006; and pursuant to sec. 2, Ch. 594, L. 2001, the inclusion of 17-3-241 becomes effective July 1, 2003.)"

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3 NEW SECTION. **Section 5. Codification instruction.** [Sections 1 through 3] are intended to be
4 codified as an integral part of Title 17, chapter 2, part 2, and the provisions of Title 17, chapter 2, part 2, apply
5 to [sections 1 through 3].

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7 NEW SECTION. **Section 6. Effective date.** [This act] is effective on passage and approval.

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